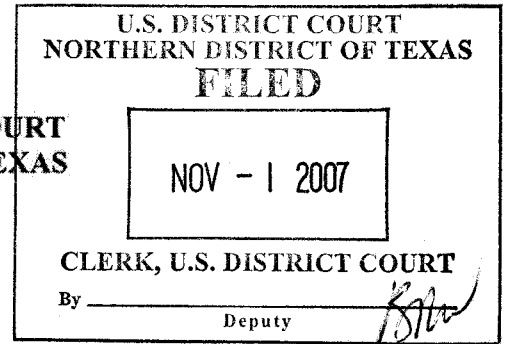


IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,

Plaintiff,

v.

K. MIKE DOSSETT, D.D.S., INC.
d/b/a DOSSETT DENTAL,

Defendant.

CIVIL ACTION NO.

3:06-CV-1768-P

CONSENT DECREE

THIS CONSENT DECREE is made and entered into by and among the Plaintiff, Equal Employment Opportunity Commission ("EEOC"), the Defendant, K. Mike Dossett, D.D.S., Inc. d/b/a Dossett Dental ("Defendant" or "Dossett Dental"), in the United States District Court for the Northern District of Texas, Dallas Division, with regard to the EEOC's Complaint filed on September 6, 2006 ("EEOC Complaint"), in Civil Action No. 3:06-CV-1768-P (ECF). This Complaint was based upon the Charge of Discrimination filed by Charging Party Jessica Uretsky against Dossett Dental.

The above-referenced Complaint alleges that Defendant Dossett Dental engaged in unlawful employment practices in violation of Sections 703(a)(1) and 704(a) of Title VII of the Civil Rights Act of 1964, as amended ("Title VII"), 42 U.S.C. §§ 2000e-2(a)(1) and 2000e-3(a). The EEOC alleged that Defendant subjected Ms. Uretsky to disparate treatment because of religion (non-Scientology). The EEOC alleged that Defendant required Ms. Uretsky to conduct herself in a manner consistent with the teachings of Scientology and to participate in activities

CONSENT DECREE

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associated with the Church of Scientology, including, but not limited to religiously influenced meetings. Further, the EEOC alleged that Defendant terminated Ms. Uretsky's employment because of her religion (non-Scientology), and in retaliation for her opposition to and complaints about acts she reasonably believed to be unlawful. Dossett Dental denies the foregoing allegations in their entirety.

The EEOC and Defendant Dossett Dental agree to compromise and settle the differences embodied in the Complaint, and intend that the terms and conditions of the compromise and settlement be set forth in this Consent Decree ("Consent Decree"). It is understood and agreed that this Consent Decree is entered into in compromise of disputed claims, and that this Consent Decree shall not in any way be construed as an admission by Defendant K. Mike Dossett, D.D.S., Inc. d/b/a Dossett Dental of a violation of any federal, state, or local statute, law or regulation, or a violation of any right of the aggrieved individuals or any other person. It is further understood and agreed that Dossett Dental is entering into this Consent Decree to, among other things, avoid the expense and uncertainty of litigation.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, the sufficiency of which is hereby acknowledged, the parties agree as follows, which the Court finds appropriate, and therefore, it is ORDERED, ADJUDGED AND DECREED that:

1. This Consent Decree resolves all issues raised in EEOC Charge No. 310-2005-03272. This Decree further resolves all issues in the Complaint filed by the EEOC in this civil action. The EEOC on behalf of itself and on behalf of Ms. Uretsky waives further claims and/or litigation on all issues raised in the above-referenced charge and Complaint. The EEOC does not waive processing charges other than the charge of discrimination specifically referenced above.

2. The parties agree that this Consent Decree does not constitute an admission by Dossett Dental of any violation of Title VII.

3. Defendant agrees that it shall conduct all employment practices at each of its dental offices in a manner which does not subject any employee to discrimination based upon religion, as prohibited under Title VII.

4. Defendant agrees that it will not condition promotions, pay raises, or any other job benefits or terms or conditions of employment on employees' compliance with employer-imposed religious teachings or training or any other teaching or trainings based upon the Church of Scientology.

5. Defendant agrees that it will not use training packs, motivational training materials and/or course work that contain religious teachings or trainings, or are otherwise based upon the teaching or trainings based upon the Church of Scientology.

6. Defendant agrees that it will not discriminate against, discipline, discharge or otherwise subject any employees to disparate treatment because of their sincerely held religious beliefs or because they do not hold any specific religious beliefs.

7. Defendant agrees not to discriminate on the basis of religion with respect to recruitment, hiring, promotion, termination, or any other employment action, and Defendant further agrees not to retaliate in any way against any person because of opposition to any practice declared unlawful under Title VII or because of the filing of a charge, giving testimony, or assisting or participating in any manner in any investigation, proceeding or hearing.

Scope of Consent Decree

8. The duration of this Consent Decree shall be for two (2) years from the date of entry of the Consent Decree. During that time, this Court shall retain jurisdiction over this matter

and the Parties for purposes of enforcing compliance with the Consent Decree, including such orders as may be required to effectuate its purposes. Accordingly, this Consent Decree shall expire and shall be without force and effect two (2) years from the date of entry of this Consent Decree.

General Provisions

9. Defendant and its officers, owners, agents, management (including supervisory employees), successors and assigns, and all those in active concert or participation with them, or any of them, agree to refrain from: (i) discriminating against employees and applicants on the basis of religion; (ii) engaging in or being a party to any action, policy or practice that is intended to or is known to them to have the effect of discriminating against any employee or applicant on the basis of the individual's sincerely held religious beliefs; and/or (iii) creating, facilitating or permitting the existence of a work environment that is hostile to an employee's sincerely held religious belief at any of its dental offices, including, but not limited to the Dallas, Plano and Frisco, Texas locations.

10. Defendant and its officers, owners, agents, management (including supervisory employees), successors and assigns, and all those in active concert or participation with them, or any of them, agree to apply, enforce and train all supervisory employees to employ religion-neutral criteria when making employment decisions relating to hiring, promotions, shift assignments, terminations, and any other term and condition of employment with Defendant.

11. Defendant and its officers, owners, agents, management (including supervisory employees), successors and assigns, and all those in active concert or participation with them, or any of them, agree to refrain from engaging in, implementing or permitting any action, policy or practice with the purpose of retaliating against any current or former employee of Dossett Dental

at any of its dental offices, including, but not limited to the Dallas, Plano and Frisco, Texas locations because he or she opposed any practice of religious discrimination made unlawful under Title VII; filed a Charge of Discrimination alleging any such practice; testified or participated in any manner in any investigation (including, without limitation, any internal investigation undertaken by Dossett Dental), proceeding, or hearing in connection with this case and/or relating to any claim of discrimination based on religion; was identified as a possible witness in this action; asserted any rights under this Consent Decree; or sought and/or received any monetary and/or non-monetary relief in accordance with this Consent Decree.

Non-Monetary Relief

12. Defendant affirms the following "Statement of Zero-Tolerance Policy and Equality Objectives":

Dossett Dental is firmly committed to developing and maintaining a zero-tolerance policy concerning discrimination based on religion, and retaliation against individuals who report discrimination and/or harassment in the company's workplace; to swiftly and firmly respond to any acts of discrimination based on religion and/or harassment and retaliation; to implement a disciplinary system that is designed to strongly deter future acts of discrimination based on religion or retaliation; and to actively monitor its workplace in order to endure tolerance, respect and dignity for all people.

Specific Non-Monetary Relief

13. In order to effectuate the objectives embodied in Dossett Dental's Statement of Zero-Tolerance Policy and Equality Objectives and this Consent Decree, Dossett Dental shall make whatever specific modifications are necessary to its existing policies, procedures and practices in order to ensure that the following policies, procedures and practices are implemented at each of its dental offices, including, but not limited to the Dallas, Plano and Frisco, Texas locations.

(a) Policy Against Religious Discrimination

Dossett Dental agrees that it shall revise its Dental Office General Policy Manual, as necessary, in order to: (i) restate in writing its Zero Tolerance policy above; (ii) include strong non-retaliation language with examples to supplement the definition of retaliation, and provide for progressive discipline for incidents of discrimination based on religion and/or retaliation; (iii) provide that complaints of discrimination based upon religion will be accepted by Dossett Dental either in writing or orally; and (iv) indicate that, promptly upon the conclusion of its investigation of a complaint, Dossett Dental will communicate to the complaining party the results of the investigation and the remedial actions taken or proposed, if any. Dossett Dental further agrees that its written policy will notify employees that they may simultaneously pursue a claim of discrimination pursuant to the terms of Dossett Dental's new policy against religious discrimination and by filing a Charge of Discrimination with the Equal Employment Opportunity Commission.

(b) Complaint Procedures

(i) Dossett Dental agrees that it shall: (i) revise its complaint procedure as necessary in order to ensure that it is designed to encourage employees to come forward with complaints about violation of its policy against discrimination. As part of this policy, Dossett Dental agrees that it shall provide its employees with convenient, confidential and reliable mechanisms for reporting incidents of discrimination. Dossett Dental agrees that it shall designate at least one employee in every dental office who may be contacted to report incidents of discrimination, and their names, responsibilities, work locations and telephone numbers shall be routinely and continuously posted. Also as part

of its complaints procedure, Dossett Dental agrees that it take seriously anonymous complaints of discrimination that it receives.

(ii) Dossett Dental agrees that it shall revise its complaint handling and disciplinary procedures as necessary to ensure that all complaints of discrimination are investigated and addressed promptly.

(iii) Dossett Dental agrees that it shall make best efforts to ensure that appropriate remedial action is taken to resolve complaints and to avoid the occurrence of further incidents of discrimination based on religion.

(c) Policies Designed to Promote Supervisor Accountability

(i) Dossett Dental agrees that it shall impose discipline--up to and including termination, suspension without pay or demotion--upon any supervisor or manager who engages in discrimination based on religion, race, color, sex, national origin, age and/or disability, or who permits any such conduct to occur in his or her work area or among employees under his or her supervision, or who retaliates against any person who complains or participates in any investigation or proceeding concerning any such conduct. Dossett Dental shall communicate this policy to all of its supervisors and managers.

(ii) Dossett Dental agrees that it shall advise all managers and supervisors of their duty to actively monitor their work areas to ensure employees' compliance with the company's policies prohibiting discrimination policies based on religion, race, color, sex, national origin, age, disability and/or retaliation, and to report any incidents and/or complaints of such discrimination, of which they become aware to the persons charged with handling such complaints.

(iii) Dossett Dental agrees that it shall include "commitment to equal employment opportunity" as a criterion for qualification for supervisory positions.

(d) Anti-Discrimination Training

(i) Dossett Dental agrees that it shall provide mandatory annual training on discrimination based on religion, race, color, sex, national origin, age, disability and/or retaliation to all employees (supervisory and non-supervisory); to specifically reference Dossett Dental's Statement of Zero-Tolerance Policy and Equality Objectives with any new employees during orientation; to provide mandatory training on discrimination to all management officials; and to provide training to all persons charged with the handling of complaints of discrimination and/or retaliation related thereto. The training shall be at least two hours in duration and shall be conducted by experienced educators to train employees about the problems of discrimination based on religion, race, color, sex, national origin, age, disability and/or retaliation in the workplace and the techniques for investigating and stopping discrimination and harassment based on an employee's religion, race, color, sex, national origin, age, disability and/or retaliation gender.

(ii) Dossett Dental agrees that the training shall inform employees of the complaint procedure for those individuals who believe they have been harassed or otherwise experienced discrimination based on religion, race, color, sex, national origin, age, disability and/or retaliation. Further, the training shall advise all employees, including supervisors and managers, of the consequences of violating Title VII and of the importance of working in an environment free of discrimination based on an employee's or applicant's religion, race, color, sex, national origin, age, and/or disability.

(iii) No less than 10 days before the training is conducted, Dossett Dental agrees to give written notice to the EEOC as to the date and location of the training, the name of the person providing the training, and will forward a copy of all materials to be used in connection with the training.

(iv) Dossett Dental agrees that it shall require a senior management official to introduce all training on discrimination to communicate Dossett Dental's commitment to its Statement of Zero-Tolerance Policy and Equality Objectives.

(v) Within 10 days following the training, Dossett Dental shall submit written confirmation to the EEOC that the training was conducted, and a list of all attendees.

Reporting Requirements

14. For each year the Consent Decree is in effect, Dossett Dental agrees to provide to the EEOC on a semiannual basis all complaints alleging discrimination based on religion, including any non-privileged results of Dossett Dental's investigation and disciplinary response.

Posting of Notice

15. Within two (2) weeks after entry of this Consent Decree, Dossett Dental shall post a Notice ("Attachment A") in a location frequently visited or easily observed by employees at each of its dental offices, including, but not limited to the Dallas, Plano and Frisco, Texas locations. This Notice shall inform employees that discrimination based on religion, race, color, sex, national origin, age, disability and/or retaliation will not be tolerated and that the first violation thereof will subject the employee found to have violated the company's policies against discrimination to those disciplinary consequences specified within the policy.

16. The Notice shall also inform employees where to report violations of Dossett Dental's policies against discrimination, and the designated company official to whom they

should report said violations. The Notice shall remain posted for the duration of this Consent Decree. In the event that the persons and/or departments to whom individuals should make complaints alleging discrimination change during the term of the Consent Decree such that the information contained in the Notice is no longer accurate, Dossett Dental shall immediately prepare and post a revised Notice that contains the correct information. Dossett Dental shall promptly thereafter forward a copy of the revised Notice to the EEOC.

17. Dossett Dental agrees to post a copy of the Notice, as described in paragraphs 15-16, above, within fourteen (14) days after entry of this Consent Decree. Dossett Dental will thereafter report to the EEOC that it has complied with this requirement within fourteen (14) days after posting the Notice.

Monetary Relief

18. Dossett Dental agrees to pay the total sum of \$25,000.00 to Jessica Uretsky to resolve all claims for backpay, lost benefits, compensatory damages and any other available relief. Payment shall be made in the form of a cashier's check, made payable to Jessica Uretsky. Dossett Dental shall mail the cashier's check via certified mail to the attention of Robert A. Canino, Regional Attorney, EEOC, 207 S. Houston Street, 3rd Floor, Dallas, Texas 75202 within 10 days of entry of this Consent Decree. Ms. Uretsky shall be responsible for any tax liability arising out of the payment and shall indemnify and hold Defendant harmless therefrom. Dossett Dental will provide Ms. Uretsky with an Internal Revenue Service Form 1099 for the specified amount at year end.

19. If Dossett Dental fails to tender payment or otherwise fails to timely comply with the terms of Paragraph 18, above, Dossett Dental shall:

- A. Pay interest at the rate calculated pursuant to 26 U.S.C. Section 6621(b) on any untimely or unpaid amounts; and

- B. Bear any additional costs reasonably incurred by the EEOC caused by the non-compliance or delay of the defendant.

Costs

20. The parties to this Consent Decree agree to bear their own costs associated with the litigation of the above-referenced Complaint and the administration of this Consent Decree.

Other General Provision

21. **Persons Bound by Decree:** The terms of this Consent Decree are and shall be binding upon the EEOC and Dossett Dental, including all of its present and future representatives, agents, directors and officers.

22. **Notices:** Except as otherwise provided for in this Consent Decree, all notification, reports and communications to the parties required under this Consent Decree shall be made in writing and shall be sufficient if hand-delivered or sent by first-class mail to the following persons:

For EEOC:
Robert A. Canino, Regional Attorney
207 South Houston Street, Dallas, Texas 75202

For Dossett Dental
Stephen E. Fox
Robert L. Rickman
FISH & RICHARDSON, P.C.
1717 Main Street, Suite 5000
Dallas, Texas 75201

23. Neither the EEOC nor Dossett Dental shall contest the validity of this Consent Decree nor the jurisdiction of the federal district court to enforce this Consent Decree and its terms, or the right of any party to the Consent Decree to bring an enforcement action upon breach of any term of this Consent Decree by any such party. Nothing in this Consent Decree shall be construed to preclude the EEOC from enforcing this Consent Decree in the event that


Dossett Dental fails to perform the promises and representations contained herein. The EEOC shall be authorized to seek compliance with the Consent Decree through civil action in the United States District Court. The EEOC also reserves the right to seek contempt sanctions for non-payment and non-compliance with this Consent Decree.

SO ORDERED, ADJUDGED AND DECREED this 1st day of
November, 2007.



U.S. DISTRICT COURT JUDGE

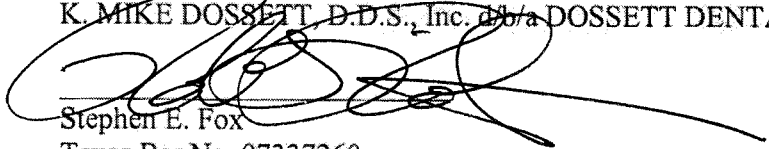
APPROVED AS TO FORM AND SUBSTANCE:
Counsel for the Plaintiff,
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION



ROBERT A. CANINO
Regional Attorney
Oklahoma State Bar No. 011782

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OPPORTUNITY COMMISSION
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Counsel for Defendant
K. MIKE DOSSETT, D.D.S., Inc. d/b/a DOSSETT DENTAL



Stephen E. Fox
Texas Bar No. 07337260
Robert L. Rickman
Texas Bar No. 24013400

FISH & RICHARDSON, P.C.
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Dallas, Texas 75201
(214) 747-5070
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U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Dallas District Office

207 S. Houston Street, 3rd Floor
Dallas, Texas 75202-4726
Toll Free: 866-408-8075
Potential Charge Inquiries: 800-669-4000
TTY (214) 253-2710
FAX (214) 253-2720
<http://www.eeoc.gov>

Dallas District Office
San Antonio Field Office
El Paso Area Office

NOTICE TO ALL EMPLOYEES

POLICY: Discrimination of any kind can and often will detract from employees' job performance, discourage employees from remaining on the job, keep employees from advancing in their careers and lower overall employee morale and productivity. It is the policy of K. Mike Dossett, D.D.S., Inc. d/b/a Dossett Dental that it will not tolerate discrimination on the basis of religion, as prohibited by Title VII.

Persons with deeply held religious convictions or with religious beliefs different from the management of Dossett Dental must be treated in the same manner as other applicants or employees with similar abilities or limitations. An employer cannot terminate or refuse to hire a person because of his or her religious beliefs, as long as the person is able to perform the major functions of the job and accommodation of the person's religious beliefs does not impose undue hardship on the employer. An employer cannot terminate or refuse to hire a person because of its prejudices against a particular religion or the prejudices of co-workers, clients or customers. An employer may not single out religion-related issues for special procedures to determine an employee's ability to perform work. Further, an employer cannot require, explicitly or implicitly, that the employee participate in meetings or other activities that are based on specific religious beliefs as a condition of continued employment, promotion, salary increases, preferred job assignments, or any other incidents of employment.

PURPOSE: It is the purpose of this policy to reaffirm and amplify the position of Title VII and the Equal Employment Opportunity Commission's guidelines on discrimination based on religion and to reiterate Dossett Dental's anti-discrimination policy.

SCOPE: This policy extends to all employees of K. Mike Dossett, D.D.S., Inc. d/b/a Dossett Dental, both management, non-management, full-time, part-time, permanent and/or temporary employees.

DEFINITION: Title VII requires that there be no discrimination against any employee because of the employee's race, color, religion, sex, national origin, age or disability with respect to hiring, firing, compensation or other terms and conditions of employment. Specifically, the law prohibits employers from promoting, refusing to promote, hiring, refusing to hire, or otherwise favoring or disfavoring, an employee or potential employee because of his or her religion, religious beliefs, or views concerning religion. Discrimination on the basis of religion constitutes unlawful discrimination under Title VII of the Civil Rights Act of 1964.

RESPONSIBILITY: Each level of management is responsible for ensuring that all personnel policies, procedure, and activities are in full compliance with applicable federal, state, and local equal employment laws, statutes, rules, and regulations regarding discrimination in the workplace. Employees are expected to read, understand, and follow Dossett Dental's policies prohibiting discrimination and promoting equal employment opportunities in the workplace.

REPORTING PROCEDURES: An employee has the right, and is encouraged to exercise that right to report allegations of discrimination based on religion that have occurred in the workplace. Any employee who believes that he or she has been subjected to discrimination is expected to report the alleged act as soon as possible to either that person's immediate supervisor, any supervisor or manager with Dossett Dental, the office manager, or to Dr. Mike Dossett. Supervisors and managers who are informed of a complaint must immediately notify the Human Resources Manager.

INVESTIGATION OF COMPLAINTS: Any report of religious discrimination will be thoroughly investigated by an appropriate company representative, with appropriate disciplinary action taken against any person(s) found to have engaged in such conduct.

RETALIATION: There shall be no retaliation against any employee because that person has opposed what they believe to be unlawful employment practices; or has filed a charge of discrimination, or has given testimony, assistance, or has participated in any manner in any investigation, proceeding or hearing under Title VII or the Equal Pay Act of 1963. Dossett Dental will not punish you for reporting discrimination simply because you have made a complaint under the above guidelines.

PROTECTION OF PRIVACY: The question of whether a particular action or incident constitutes discrimination requires a determination based on all available facts. Dossett Dental will therefore make a concerted effort to protect the privacy of all personnel. Confidential information will be shared on a need-to-know basis to complete the investigation and to deal appropriately with the situation.

EXCEPTIONS: There are no exceptions to this policy.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE REMOVED OR DEFACED BY ANYONE.

Signed this _____ day of _____, 2007.

Date

K. Mike Dossett, D.D.S., Inc. d/b/a Dossett Dental

"ATTACHMENT A"

CASE CLOSED

CASE NUMBER: 3:06-CV-1768-P

DATE: November 1, 2007

TRIAL: YES _____ NO ✓